



City of Biggs

Agenda Item Staff Report for the Regular City Council Meeting: August 15, 2011 6:00PM

DATE: August 10, 2011

TO: Honorable Mayor and Members of the City Council

FROM: Pete Carr, City Administrator/Finance

SUBJECT: Proposal for Grant Administration and Community Development Services
(Discussion/Action)

Administrator will present a proposal for PMC to handle the city's grants administration and assist in community development activities.

Background

The City in 2007 migrated away from its longstanding relationship with Mercy Housing for administration of grants, awarding the work instead to California Engineering. At the time, CEC had a robust grants application and administration program.

With CEC no longer serving as City Engineer, we again need to consider how these vital services will be performed for the city. Bennett Engineering Services, as the new city engineer, will participate in grant applications and project management but is not set up for writing grant applications nor administering grants, the latter of which is primarily a specialized accounting and regulation compliance function.

PMC can also serve as an extension of city staff in the area of community development. These services would include specialized advice to the city in the utilization of program income funds and identification of grant opportunities. PMC's service would dovetail with city planner services and be augmented by the city's E-Civis subscription. Many of these services can be wrapped into grant programs.

PMC's experience and staffing in this area are excellent. They can serve as an on-call grant service. Grant writing typically costs between \$1500 and \$5500 per grant, and administration is normally covered under a controlled delivery cost element that is limited by the grant's provisions for allowable expenses. As an additional statement of the proposal and part of any agreement to be executed, PMC offers the following as an understanding of the cost for services:

PMC would like to request a not-to-exceed budget in the range of \$12,000-\$18,000 for on-call grant related services. Once we are under contract we will provide the City with

detailed task orders and budgets that will have to be approved by the City. Tasks orders to create the Commercial Façade Program and to write CDBG eligible activity grants, such as for jobs, economic development, infrastructure improvements and housing programs can be paid for out of the City's CDBG Program Income Funds.

Attachments: PMC Proposal for Grant Writing Services, Statement of Qualifications provided previously electronically; attached to this staff report is the Scope of Services and Cost Proposal.

Recommendation

Accept PMC's proposal and direct administrator to engage PMC's services on an on-call as-needed basis, open-ended timeframe, with a specified not-to-exceed budget of \$15,000. Seek City Council approval for submission and acceptance of all grants.

Fiscal Impact:

Depends on usage of the contract service, probably \$10,000 to \$15,000 per year billed primarily or entirely to the grants awarded.

1. SCOPE OF SERVICES

PROJECT UNDERSTANDING

The City of Biggs is seeking a consultant to assist with grant writing services who has experience with a broad array of funding sources and project types. PMC can assist with all aspects of these services including securing grant and loan funding from federal, state and private foundation sources, the administration of grants, compliance with grant conditions, program development, and program implementation. PMC understands the needs of a small rural city and can work seamlessly with local staff, residents and program partners.

GRANT WRITING AND APPLICATION

PMC can provide grant application services to the City of Biggs. The following is a general description of the process and services to be provided.

Granting Agencies – PMC will prepare and submit grant applications to Federal, State and Private Foundations for requested funding that will assist the City with meeting its goals of creating more jobs and providing more economic development opportunities. PMC will collaborate with appropriate City staff to identify funding opportunities and to establish an effective grant response that incorporates meeting any and all unique requirements set forth by the funding source. PMC will give the City the earliest possible advance notice and recommendation of grant opportunities.

Opportunity Evaluation – Once a source of potential funding has been identified for a given program or project, PMC will evaluate the likelihood of a successful request for funds from the source identified. We will inform City staff of the administrative and performance requirements of each grant identified.

Work Plan – PMC will develop grant-specific work plans for the funding sources the City of Biggs wishes to pursue. These work plans will include dates for deliverables to the City. The work plans will allow time for staff review and (if required or requested) time to present to elected officials for their authorization.

Application Draft – PMC will perform the required background research and complete grant applications in accordance with all agency requirements. This task will include public notice and comment, presentation to elected officials, and facilitation of public meetings. This effort will include authoring grant narratives, assembling supporting documentation, and creating attractive materials that meet the expectations of the funding entity. PMC has staff dedicated to producing high-impact printed visual and written materials.

Application Submission – Completed grant applications will be presented to the City for review and approval prior to submission to the funding entity. PMC will present the application at public meetings, as needed. (Some grant sources require a resolution adopted by the City council.) All required materials will be submitted to the funding agency on time. PMC will document grant submittals and provide copies of all materials submitted to City staff.

Follow-up – After a grant request has been made, PMC will be available to respond to questions from the funding entity. PMC will provide supplemental information as requested by the funding entity.

Evaluation – PMC will meet with City staff to review the results of each grant request. This task will include making personal contact with the grant funding agency to determine the quality and appropriateness of the request.

1. SCOPE OF SERVICES

GRANT ADMINISTRATION

PMC can assist the City of Biggs with the following tasks related to the administration of grants.

Grant Set-up – PMC will complete general grant set-up for all new grants. Set-up may include preparation of program guidelines or revision of existing guidelines, environmental review, and any other documentation required by the funding source.

Grant Agreement Execution – We will provide technical assistance in reviewing and executing all grant agreements.

Progress Reports – PMC will prepare progress and performance reports, and discuss any potential issues related to the project budget or milestone targets included in the City's grant agreements.

Prepare and Submit Required Reporting – We will work with City staff to obtain accurate reporting information. Complete all required reports, including Financial and Accomplishment Reports, program income reports, draw requests, and any other reporting requested by the funding source.

Maintain Public Information Binders – PMC will be responsible for set-up and maintenance of public information binders, ensuring they meet the requirements of the funding agency.

Prepare and Retain Records and Documents Relating to Submitted Charges – We will assist City staff with preparing draw requests and setting up records with detailed copies of invoices and documentation.

GENERAL PROGRAM ASSISTANCE

In addition to grants writing, grants administration and program implementation PMC can provide general housing and community development program assistance on an as-needed basis.

PROGRAM INCOME REUSE PLAN

PMC can assist the City to revise its current Program Income Reuse Plan to include the option to implement a Commercial Facade Loan Program with Program Income money. A copy of the City of Seaside's Commercial Façade Guidelines is located in **Appendix A** for your review. The plan will also be revised to reflect current California Department of Housing and Community Development (HCD) requirements a copy of HCD's New Program Income Policy for Calculating Allowable General Administration and New Program Income Reporting Forms is located in **Appendix B**. PMC will submit the plan to HCD and respond to HCD comments.

PROGRAM REVIEW

Based on our extensive experience with grants administration, PMC will identify the strengths and weaknesses of the City's current grant program and financial performance systems and offer suggestions for improvement.

2. COST PROPOSAL

ESTIMATE OF COST BY SERVICE

PMC will research, complete, and submit grant applications for the City of Biggs on an as-needed basis and under the direction of City staff. PMC proposes to offer services based on time-and-materials cost. PMC will establish a budget for preparing and submitting each grant in light of the specific requirements for that grant. Grant writing efforts typically cost between \$1,500 and \$5,500, depending on the type of grant, granting agency, or organization and the intended programs or projects.

Invoices presented to the City will contain an itemized description of the work performed and the date and amount for each charge. Not-to-exceed fees for individual services may be established after further discussion with the City, allowing fees to be set based on City staff's other time commitments and the work desired, such as grant research, preparation, and administration.

The costs of grant administration can vary significantly based on the type of grant and the specific services requested. Most grants include a limit on allowable administrative and delivery costs. PMC is committed to maintaining our charges within those limits while at the same time delivering quality services to the City.